

From: hbabian@aol.com
Sent: Tuesday, September 28, 2010 6:09 PM
To: !FHFA REG-COMMENTS
Subject: Guidance on private transfer fee covenants (No. 2010-N-11)

The FHFA has recently announced that it is going to ban certain fees that homeowner associations across the nation use to fund maintenance projects and to build up savings for unanticipated expenses. If this ban goes through, my community will be cut off from most mortgage financing which will make it almost impossible for me to sell my home. The majority of homeowner associations require all new homeowners to make an upfront payment to fund the ongoing obligations of the association. These fees are disclosed to homebuyers prior to closing.

The FHFA's proposal to prohibit Fannie Mae, Freddie Mac and the Federal Home Loan Banks from buying or investing in mortgages on homes in community associations with deed-based transfer fees will only cause further harm in a housing market that is already weak. These fees are part of our deed restrictions and cannot be changed without a majority vote and will seriously jeopardize our funding. The agency should focus its efforts on examining the impact of fees that are payable to third parties not connected to the underlying property or community association.

I request that you ask the FHFA to revise or withdraw their ill-conceived GSE mortgage purchasing guidance on transfer fees. Please let me know what you are doing to stop this and help our housing market recover.